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DEPARTMENT OF COMMERCE

International Trade Administration

(A-570-042)

Stainless Steel Sheet and Strip from the People's Republic of China: Antidumping Duty Order

AGENCY: Enforcement and Compliance, International Trade Administration, Department of Commerce

SUMMARY: Based on the affirmative final determinations by the Department of Commerce (the Department) and the International Trade Commission (ITC), the Department is issuing an antidumping duty order on stainless steel sheet and strip from the People's Republic of China.

DATES: Effective [Insert date of publication in the *Federal Register*.]

FOR FURTHER INFORMATION, CONTACT: Kathryn Wallace; AD/CVD Operations, Enforcement and Compliance, International Trade Administration, U.S. Department of Commerce, 1401 Constitution Avenue NW, Washington, DC 20230; telephone: (202) 482-6251.

SUPPLEMENTARY INFORMATION:

Background

In accordance with sections 735(d) and 777(i)(1) of the Tariff Act of 1930, as amended (the Act), and 19 CFR 351.210(c), on February 8, 2017, the Department published its final determination in the less-than-fair-value (LTFV) investigation, including the determination of critical circumstances, with respect to imports of stainless steel sheet and strip (stainless sheet and strip) from the People's Republic of China (PRC).¹ On March 24, 2017, pursuant to section 735(d) of the Act, the ITC notified the Department of its final determination that an industry in the United States is materially injured by reason of LTFV imports of subject merchandise from

¹ See *Antidumping Duty Investigation of Stainless Steel Sheet and Strip from the People's Republic of China: Final Determination of Sales at Less Than Fair Value and Final Affirmative Determination of Critical Circumstances* 82 FR 9716 (February 8, 2017).

the PRC within the meaning of section 735(b)(1)(A)(i) of the Act, and its determination that critical circumstances do not exist with respect to imports of subject merchandise from the PRC.²

Scope of the Order

The product covered by this order is stainless sheet and strip. For a complete description of the scope of the order, *see* Appendix I.

Antidumping Duty Order

As stated above, on March 24, 2017, in accordance with sections 735(b)(1)(A)(i) and 735(d) of the Act, the ITC notified the Department of its final determination in its investigation, in which it found that the industry in the United States producing stainless sheet and strip is materially injured by reason of imports of stainless sheet and strip from the PRC, and that critical circumstances do not exist with respect to imports of subject merchandise from the PRC that are subject to the Department's affirmative critical circumstances findings. Therefore, in accordance with section 735(c)(2) of the Act, we are publishing this antidumping duty order.

As a result of the ITC's final determination, in accordance with section 736(a) of the Act, the Department will direct U.S. Customs and Border Protection (CBP) to assess, upon further instruction by the Department, antidumping duties equal to the amount by which the normal value of the merchandise exceeds the export price (or constructed export price) of the merchandise adjusted for certain countervailable (CVD) subsidies, for all relevant entries of stainless sheet and strip. Antidumping duties will be assessed on unliquidated entries of stainless sheet and strip from the PRC entered, or withdrawn from warehouse, for consumption on or after September 19, 2016, the date on which the Department published its preliminary less-than-fair-

² See Letter to Ronald Lorentzen, Acting Assistant Secretary of Commerce for Enforcement and Compliance, from Rhonda K. Schmidlein, Chairman of the U.S. International Trade Commission, regarding stainless steel sheet and strip from the People's Republic of China (March 24, 2017). *See also Stainless Steel Sheet and Strip from China*, Investigation Nos. 701-TA-557 and 731-TA-1312 (Final), USITC Publication 4676 (March 2017).

value determination in the *Federal Register*,³ but will not include entries occurring after the expiration of the provisional measures period and before publication of the ITC's final affirmative injury determination as further described below.

Provisional Measures

Section 733(d) of the Act states that the suspension of liquidation pursuant to a preliminary determination may not remain in effect for more than four months except where exporters representing a significant proportion of exports of the subject merchandise request the Department to extend that four-month period to no more than six months. At the request of mandatory respondent, Shanxi Taigang Stainless Steel Co., Ltd. (Taigang), who accounts for a significant proportion of stainless sheet and strip from the PRC, we extended the four-month period to no more than six months in this case.⁴ The Department published the *AD Preliminary Determination* for this investigation on September 19, 2016. Therefore, the six-month period beginning on the date of publication of the preliminary determination ended on March 18, 2017. Furthermore, section 737(b) of the Act states that definitive duties are to begin on the date of publication of the ITC's final injury determination.

Therefore, in accordance with section 733(d) of the Act and our practice, we will instruct CBP to terminate the suspension of liquidation and to liquidate, without regard to antidumping duties, unliquidated entries of stainless sheet and strip from the PRC, entered, or withdrawn from warehouse, for consumption on or after March 18, 2017, the date the provisional measures expired, until and through the day preceding the date of the ITC's final injury determination in

³ See *Stainless Steel Sheet and Strip from the People's Republic of China: Preliminary Affirmative Determination of Sales at Less Than Fair Value and Preliminary Affirmative Determination of Critical Circumstances*, 81 FR 64135 (September 19, 2016) (*AD Preliminary Determination*).

⁴ See *Stainless Steel Sheet and Strip from the People's Republic of China: Postponement of Final Determination of Sales at Less Than Fair Value Investigation*, 81 FR 72776 (October 21, 2016).

the *Federal Register*. Suspension of liquidation will resume on the date of publication of the ITC's final determination in the *Federal Register*.

Suspension of Liquidation

In accordance with section 735(c)(1)(B) of the Act, the Department will direct CBP to reinstitute the suspension of liquidation on all relevant entries of stainless sheet and strip from the PRC. These instructions suspending liquidation will remain in effect until further notice.

The Department will also instruct CBP to require cash deposits equal to the amount as indicated below, which are adjusted for certain countervailable subsidies, as described below. Accordingly, effective on the date of publication of the ITC's final affirmative injury determinations, CBP will require, at the same time as importers would normally deposit estimated duties on this subject merchandise, a cash deposit equal to the cash deposit rates listed below.⁵ The relevant PRC-wide entity rates apply to all producers or exporters not specifically listed. For the purpose of determining cash deposit rates, the estimated weighted-average dumping margins for imports of subject merchandise from the PRC have been adjusted, as appropriate, for export subsidies found in the final determination of the countervailing duty investigation of this merchandise imported from the PRC.⁶ In addition, the estimated weighted-average dumping margins were also adjusted, where appropriate, for estimated domestic subsidy pass-through.⁷

⁵ See section 736(a)(3) of the Act.

⁶ See section 772(c)(1)(C) of the Act.

⁷ See section 777A(f) of the Act.

Exporter	Producer	Weighted-Average Dumping Margin (%)	Cash Deposit (%)
Taiyuan Ridetaixing Precision Stainless Steel Incorporated Co., Ltd.	Taiyuan Ridetaixing Precision Stainless Steel Incorporated Co., Ltd.	63.86	45.26
Zhangjiagang Pohang Stainless Steel Co., Ltd.	Zhangjiagang Pohang Stainless Steel Co., Ltd.	63.86	45.26
PRC-Wide Entity	PRC-Wide Entity	76.64	58.04

Critical Circumstances

With regard to the ITC's negative critical circumstances determination on imports of stainless sheet and strip from the PRC, we will instruct CBP to lift suspension and to refund any cash deposits made to secure the payment of estimated antidumping duties with respect to entries of the subject merchandise entered, or withdrawn from warehouse, for consumption on or after June 21, 2016 (*i.e.*, 90 days prior to the date of the publication of the *AD Preliminary Determination*), but before September 19, 2016 (*i.e.*, the date of publication of the *AD Preliminary Determination*).

Notifications to Interested Parties

This notice constitutes the antidumping duty order with respect to stainless sheet and strip from the PRC, pursuant to section 736(a) of the Act. Interested parties can find a list of antidumping duty orders currently in effect at <http://enforcement.trade.gov/stats/iastats1.html>.

This order is issued and published in accordance with section 736(a) of the Act and 19 CFR 351.211(b).

Ronald K. Lorentzen
Acting Assistant Secretary
for Enforcement and Compliance

Dated: March 28, 2017

Attachment I

Scope of the Orders

The merchandise covered by this order is stainless steel sheet and strip, whether in coils or straight lengths. Stainless steel is an alloy steel containing, by weight, 1.2 percent or less of carbon and 10.5 percent or more of chromium, with or without other elements. The subject sheet and strip is a flat-rolled product with a width that is greater than 9.5 mm and with a thickness of 0.3048 mm and greater but less than 4.75 mm, and that is annealed or otherwise heat treated, and pickled or otherwise descaled. The subject sheet and strip may also be further processed (*e.g.*, cold-rolled, annealed, tempered, polished, aluminized, coated, painted, varnished, trimmed, cut, punched, or slit, etc.) provided that it maintains the specific dimensions of sheet and strip set forth above following such processing. The products described include products regardless of shape, and include products of either rectangular or non-rectangular cross-section where such cross-section is achieved subsequent to the rolling process, *i.e.*, products which have been “worked after rolling” (*e.g.*, products which have been beveled or rounded at the edges).

For purposes of the width and thickness requirements referenced above: (1) Where the nominal and actual measurements vary, a product is within the scope if application of either the nominal or actual measurement would place it within the scope based on the definitions set forth above; and (2) where the width and thickness vary for a specific product (*e.g.*, the thickness of certain products with non-rectangular cross-section, the width of certain products with non-rectangular shape, etc.), the measurement at its greatest width or thickness applies.

All products that meet the written physical description, and in which the chemistry quantities do not exceed any one of the noted element levels listed above, are within the scope of this order unless specifically excluded.

Subject merchandise includes stainless steel sheet and strip that has been further processed in a third country, including but not limited to cold-rolling, annealing, tempering, polishing, aluminizing, coating, painting, varnishing, trimming, cutting, punching, and/or slitting, or any other processing that would not otherwise remove the merchandise from the scope of the order if performed in the country of manufacture of the stainless steel sheet and strip.

Excluded from the scope of this order are the following: (1) sheet and strip that is not annealed or otherwise heat treated and not pickled or otherwise descaled; (2) plate (*i.e.*, flat-rolled stainless steel products of a thickness of 4.75 mm or more); and (3) flat wire (*i.e.*, cold-rolled sections, with a mill edge, rectangular in shape, of a width of not more than 9.5 mm).

The products under order are currently classifiable under Harmonized Tariff Schedule of the United States (HTSUS) subheadings 7219.13.0031, 7219.13.0051, 7219.13.0071, 7219.13.0081, 7219.14.0030, 7219.14.0065, 7219.14.0090, 7219.23.0030, 7219.23.0060, 7219.24.0030, 7219.24.0060, 7219.32.0005, 7219.32.0020, 7219.32.0025, 7219.32.0035, 7219.32.0036, 7219.32.0038, 7219.32.0042, 7219.32.0044, 7219.32.0045, 7219.32.0060, 7219.33.0005, 7219.33.0020, 7219.33.0025, 7219.33.0035, 7219.33.0036, 7219.33.0038, 7219.33.0042, 7219.33.0044, 7219.33.0045, 7219.33.0070, 7219.33.0080, 7219.34.0005, 7219.34.0020,

7219.34.0025, 7219.34.0030, 7219.34.0035, 7219.34.0050, 7219.35.0005, 7219.35.0015, 7219.35.0030, 7219.35.0035, 7219.35.0050, 7219.90.0010, 7219.90.0020, 7219.90.0025, 7219.90.0060, 7219.90.0080, 7220.12.1000, 7220.12.5000, 7220.20.1010, 7220.20.1015, 7220.20.1060, 7220.20.1080, 7220.20.6005, 7220.20.6010, 7220.20.6015, 7220.20.6060, 7220.20.6080, 7220.20.7005, 7220.20.7010, 7220.20.7015, 7220.20.7060, 7220.20.7080, 7220.90.0010, 7220.90.0015, 7220.90.0060, and 7220.90.0080. Although the HTSUS subheadings are provided for convenience and customs purposes, the written description of the scope of this proceeding is dispositive.

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